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## SIPDIS

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TAGS: PREL PGOV EAID ECON EUN FR RU GG

SUBJECT: FRENCH MFA OFFICIAL TALKS ABOUT GEORGIA DONORS,

CONFERENCE, RUSSIA,S CURRENT ATTITUDE TOWARDS GEORGIA

CONFLICT

## Summary

 $\P 1$ . (C) French MFA DAS-equivalent for Eurasian Affairs Alexandre Vulic told us that the Georgia donors conference in Brussels on October 22 served as confirmation that the European Union has addressed the conflict in Georgia from every angle. All pledged money will be controlled by either the European Commission or, for bilateral donations and for non-EU members, through agreements with Tbilisi to ensure that the money benefits Georgia to the maximum extent possible and does not get diverted to the self-proclaimed regimes in Abkhazia and South Ossetia. When speaking of the November 18 follow-on to the October conference on Georgia, Vulic said that getting everyone to sit down to discuss the issues "is EU,s special envoy Pierre Morel,s problem" and that the next meeting should tackle issues like refugee return and the flow of goods and services between Georgia and South Ossetia and Abkhazia. Vulic said that Russia has made an effort to downplay any remaining tensions in Georgia in order to get back to "business as usual" with Europe. The upcoming EU-Russia summit will be useful because it will allow the EU to determine where things stand with Russia now that the Georgia conflict has largely subsided. Vulic said that at the summit Paris will be ready to listen to Russian ideas on European Security, but not necessarily to discuss them, but France expected the current financial crisis would be the main subject for discussion. Finally, Vulic talked about weaknesses in the governments in both Georgia and Russia caused by discontent among political elites in the former and the financial crisis and questions about the strength of support for Medvedev in the latter. End summary

The EU Closes the Circle: Georgia Donor Conference

- ¶2. (C) French MFA DAS-equivalent for Eurasian affairs Alexandre Vulic told us October 24 that the Georgia donors conference in Brussels on October 22 served as confirmation that the European Union has addressed the conflict in Georgia from every angle possible: political, structural, and, now, from an economic and human rights perspective as well. The money pledged in Brussels was more than anyone had anticipated and will be spent to meet the needs of the Georgian government and its citizens.
- 13. (C) Vulic emphasized, however, that the pledged money will not be handed directly to the Georgian government or to the de facto regimes established in South Ossetia and Abkhazia, however, but will be controlled either by the European Commission or, for non-EU donors and those EU members making additional contributions, through bilateral agreements between each government and Tbilisi. All the donors want to make sure that the money given to Georgia will benefit that country to the maximum extent possible. When questioned about whether the money would be spent in South Ossetia and Abkhazia, Vulic said that that is an issue that will have to be addressed, as access to the two regions is limited.

(C) Vulic then launched into a description of additional hurdles to be cleared with the separatist regions, specifically that of documentation. As most South Ossetians and Abkhazians have Russian passports, distinguishing between those who live in Russia and those who merely have Russian passports is complicated and makes it hard to decide who should get visas. This is particularly alarming in the case of criminals who may have acquired Russian passports and may be able to get visas as Russian nationals. Conversely, Vulic noted that some Georgians living in South Ossetia or Abkhazia may be forced to take Russian passports -- a problem French officials are also working to solve. The issuance by the self-proclaimed regimes of Abkhazian and South Ossetian passports, recognized so far by no one but perhaps Russia will pose additional challenges if and as those entities force citizens to carry them. For now, Vulic said that residents of Abkhazia and South Ossetia carrying Russian passports would be processed for EU visas in Moscow as Russians unless they were on a watch list (i.e., for senior officials), in which case they might be told to apply in Tbilisi.

"That,s Morel,s Problem": November 18 Geneva Meeting

15. (C) Vulic also expanded on goals France has for the next discussion on Georgia, scheduled for November 18 in Geneva. He said the September 8 agreement makes any "final status" discussions difficult because first the parties involved have to come to agreement on what the terms "stability" and "security" refer to, as the Russians have a different idea

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from the EU on what these terms mean in the conflict areas. Vulic said that there are several issues on which the November 18 conference should focus, including creating some permeability on the borders between Georgia, South Ossetia, and Abkhazia. Such permeability would facilitate travel, economic, and official government ties to these places. Refugee return is also an issue. Finally, Vulic said that we have to have come up with a way to limit Russia,s influence in Abkhazia and South Ossetia so that Moscow cannot continue to run roughshod through the two regions.

16. (C) Vulic noted that Tbilisi seems to have realized that, for the time being, it has to accept the situation on the ground and move forward from there. When asked how he thought the November 18 meeting would go given the difficulties getting everyone to sit down together at the first meeting, Vulic quipped "that,s Pierre Morel,s (the EU special representative to Georgia) problem" but quickly added that there has to be a way to get the dialogue moving forward. "It,s really all about whether or not the Russians want to play," Vulic concluded.

Russia: Pushing for &Business as Usual8 with EU

- 17. (C) Responding to questions about the November 14 EU-Russia summit in Nice, Vulic highlighted Moscow,s desire to play down any enduring tensions in Georgia in order to try to return to more "normal" relations with the EU. The Russians very much want to give the impression that hostilities are over and that the Georgia conflict was a unique event that will not be repeated in other neighboring countries. Vulic noted that Moscow, hoping to prevent tensions from escalating after they've decreased, has dialed back its efforts to persuade other countries to recognize the independence of South Ossetia and Abkhazia.
- 18. (C) Russia also wants to give the EU the impression that Moscow has always been in control of the situation in South Ossetia and Abkhazia and that nothing has changed much despite the short war, Vulic continued. Highlighting Russia's continued control or predominant influence in these

regions allows it to bolster the argument that Moscow was simply defending its interests and that no laws have been broken. It is important to note, however, that the Russians will only push the issue of continuity so far in order to avoid giving EU countries the impression that Moscow acted illegally. Russia,s intentions in the region still are not entirely clear, Vulic conjectured, but it really wants to make it look like the region has cooled down.

(C) Russia, s main motive for emphasizing the calm in the Caucasus is to try to move dialogue with Europe on to other topics. Moscow is tired of talking about the war and wants to discuss other things at the EU-Russia summit in November. From the French perspective, the summit will be useful because it will allow the EU to take stock of where things stand with Russia now that the Georgia conflict has largely subsided. Vulic said that at the summit Paris will be ready to listen to Russian ideas on a new European Security organization, but not necessarily to discuss them. Paris expects instead that the current international financial crisis will dominate the discussion. EU members will have several meetings prior to the summit in Nice to work towards an agreement on the major issues to bring up with Russia. The EU has to develop some "red lines", Vulic said, to determine areas in which the EU-Russia relationship can move forward and points where it should pause. The main goal of the EU-Russia summit is to see if it,s possible, not to return to "business as usual" with the Russians, but to at least get back to "business." Progress on Georgia, he repeated, would be the key benchmark in this regard.

Something in Common?! Fragile Governments in Tbilisi and Moscow

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¶10. (C) Although he did not discuss them in conjunction with each other, Vulic spent time during our meeting discussing the fragile nature of the governments in both Tbilisi and Moscow. Georgian president Saakashvili is getting progressively weaker in French eyes as opposition to him grows. The opposition that threatens him the most is not from the recognized opposition parties but rather from those within Saakashvili,s government who are not happy with Saakashvili,s comportment during and after the war in South Ossetia. These opponents want a more progressive, even-keeled leader in Georgia, someone who will be a better representative for Georgia abroad. Vulic agreed that Saakashvili needs to allow more independent media in Georgia but said that Saakashvili has done a lot to reduce corruption

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in Georgia. He added that French relations with Georgia are, on the whole, fairly good, and that some Georgian officials will be in Paris for bilateral discussions at the beginning of November (i.e., before the Nice summit).

111. (C) Vulic spent quite a bit of time discussing what he referred to as the "fragility" of Medvedev,s government. He said that we cannot really know how popular Medvedev is but that he thinks a lot of Russian oligarchs may be reconsidering the promise they made to former president Putin to stay out of Russian politics. As to discussions of a new Cold War that have appeared in the wake of Russia,s military activities in Georgia, Vulic asserted that Russia does not have the means to start or maintain such an ongoing state of strategic confrontation and that this is another indication of the Russian government,s fragility. Finally, the current financial crisis, coupled with the recent drop in the price of oil, has further weakened Moscow and has had a greater impact on Russia because of government weakness.

## Comment

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112. (C) Vulic,s frank discussion of the donors conference and relations with both Georgia and Russia seemed to indicate

a certain toughness in the French view; however, FM Kouchners statement in St. Petersburg October 28 implying that the decision on resuming negotiations on a partnership agreement is a fait accompli, are much more forward leanding and caught Vulic and others by surprise. We are seeking to clarify the French position on this point. End comment

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